≈ libra

Introducing Libra: a simple global currency and financial infrastructure that can empower billions of people

Geneva, Switzerland - Today the Libra Association is announcing plans for **Libra**, a simple global currency and financial infrastructure that can empower billions of people. Libra will be built on a secure, scalable, and reliable blockchain; it will be backed by a reserve of assets designed to give it intrinsic value; and it will be governed by the independent Libra Association, which was formed to manage and evolve this new ecosystem.

The advent of the internet and mobile broadband has empowered billions of people globally to have access to the world's knowledge and information, high-fidelity communications, and a wide range of lower-cost, more convenient services. These services are now accessible using a $40 smartphone from almost anywhere in the world.[1] This connectivity has driven economic empowerment by enabling more people to access the financial ecosystem. Working together, technology companies and financial institutions have also found solutions to help increase economic empowerment around the world. Despite this progress, large swaths of the world's population are still left behind: 1.7 billion adults globally remain outside of the financial system with no access to a traditional bank, even though one billion have a mobile phone.[2]

Blockchain and cryptocurrencies have a number of unique properties — they are decentralized, globally accessible, low cost, and safe. But the existing blockchain systems have yet to reach mainstream adoption. Mass-market usage of existing blockchains and cryptocurrencies has been hindered by their volatility and lack of scalability. Some projects have also aimed to disrupt the existing system and bypass regulation as opposed to innovating on compliance and regulatory fronts to improve the effectiveness of anti-money laundering.

We believe that collaborating and innovating with the financial sector, including regulators and experts across a variety of industries, is the only way to ensure that a sustainable, secure, and trusted framework underpins this new system. And this approach can deliver a giant leap forward toward a lower-cost, more accessible, more connected global financial system.

With Libra, we will enable developers and businesses to build new, inclusive financial service products for people all around the world. This ecosystem will be underpinned by the **Libra Blockchain**, a new blockchain that has been built from the ground up to prioritize scalability, security, and reliability, as well as the flexibility required to evolve over time; and the **Libra Reserve**, a reserve of real assets that will back the Libra currency, providing low volatility, wide global acceptance, and fungibility.

The **Libra Association** will be responsible for facilitating the development of the Libra Blockchain and managing the Libra Reserve. Members of the Libra Association will consist of geographically distributed and diverse businesses, nonprofit and multilateral organizations, and academic institutions. The initial group of organizations that will work together on finalizing the association's charter and become "Founding Members" upon its completion are, by industry:

- Payments: **PayU (Naspers' fintech arm)**
- Technology and marketplaces: **Facebook/Calibra, Farfetch, Lyft, Spotify AB, Uber Technologies, Inc., Shopify, Tagomi**
- Telecommunications: **Iliad**
- Blockchain: **Anchorage, Bison Trails, Coinbase, Inc., Xapo Holdings Limited**
- Venture Capital: **Andreessen Horowitz, Breakthrough Initiatives, Ribbit Capital, Thrive Capital, Union Square Ventures**
- Nonprofit and multilateral organizations, and academic institutions: **Creative Destruction Lab, Kiva, Mercy Corps, Women's World Banking**

Over the coming months, the association and its members will be recruiting additional members to further diversify and support the network. We will also be raising money in a private placement to help jumpstart the ecosystem and drive adoption.

We will also continue engaging with regulators, policymakers, and experts to solicit feedback and ensure that this global financial infrastructure is governed in a way that is reflective of the people it serves. We believe this will be a significant undertaking — and responsibility — and we will continue to work openly and collaboratively as we move toward our goal of launching this new ecosystem in the first half of 2020.

As a first step, the early-stage code for the Libra Blockchain will be open sourced today under an Apache 2.0 license. This testnet will help us gather feedback from the community about the direction of the project and work toward ensuring a scalable, reliable, and secure launch.

You can read more about Libra, the Libra Blockchain, and the Libra Association at libra.org.

Sources / Footnotes:
[1] Best Buy. "AT&T prepaid Alcatel CAMEOX device purchase." Bestbuy.com. Available: https://www.bestbuy.com/site/at-t-prepaid-alcatel-cameox-4g-lte-with-16gb-memory-cell-phone-arctic-white/6008102.p?skuId=6008102 (Accessed: May 15, 2019).
[2] A. Demirgüç-Kunt, L. Klapper, D. Singer, S. Ansar, and J. Hess. The Global Findex database 2017: Measuring financial inclusion and the fintech revolution. World Bank Group, 2018. Accessed: May 15 2019. Globalfindex.worldbank.org. [Online]. Available: https://globalfindex.worldbank.org/sites/globalfindex/files/2018-04/2017%20Findex%20full%20report_0.pdf